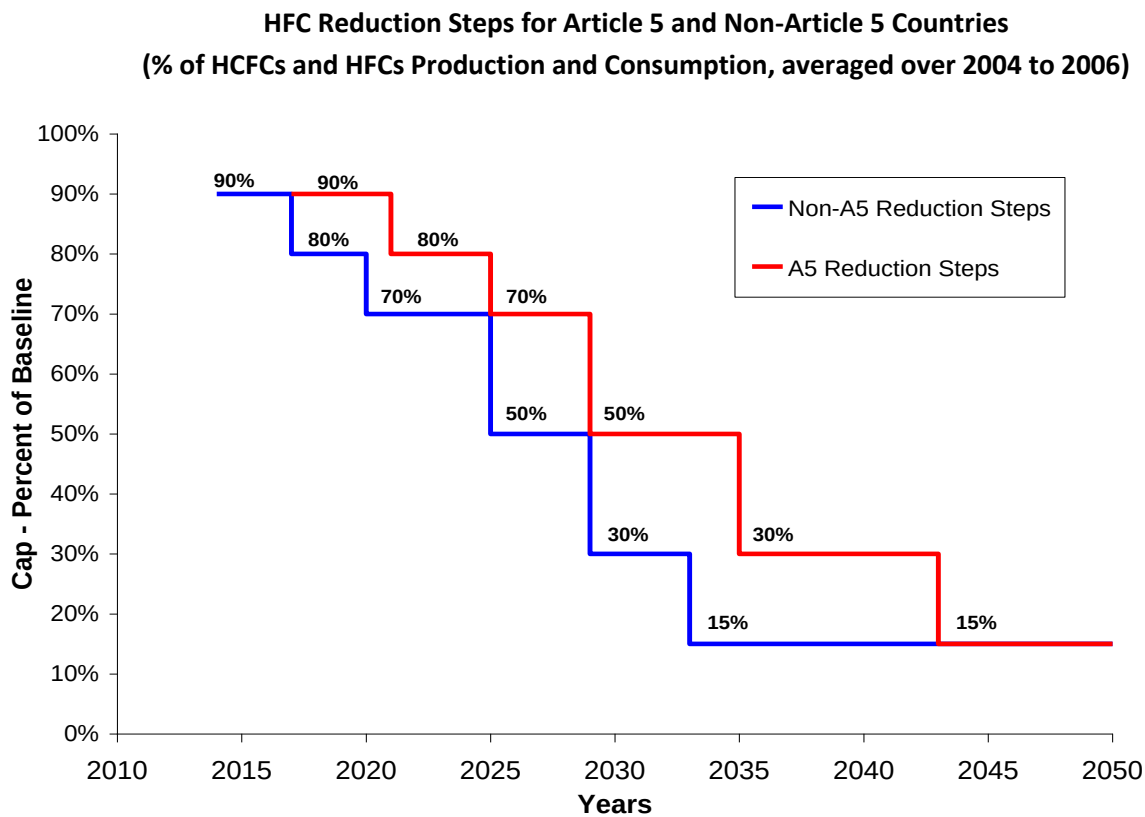


Summary Points: North American HFC Submission to the Montreal Protocol

The North American proposal includes the following key elements:

- Lists 20 HFCs as a new Annex F, including two substances sometimes referred to as HFOs.
- Recognizes that there may not be alternatives for all HFC applications and therefore utilizes a gradual phasedown mechanism with a plateau, as opposed to a phaseout.
- Establishes provisions for developed country (non-Article 5) and developing country (Article 5) phasedown of production and consumption (see figure below):



- Uses weighting by Global Warming Potential for HCFCs and HFCs as compared to typical Montreal Protocol practice of Ozone Depleting Potential.
- Includes provisions to strictly limit HFC-23 byproduct emissions resulting from the production of HCFC-22, beginning in 2014.
- Requires licensing of HFC imports and exports, and bans imports and exports to non-Parties.
- Requires reporting on production and consumption of HFCs, and HFC-23 byproduct emissions.
- Makes eligible for funding under the Montreal Protocol's Multilateral Fund the phasedown of HFC production and consumption as well as reduction of HFC-23 byproduct emissions.

Cumulative benefits of the HFC phasedown estimated by the U.S. Government amount to reductions of 3,100 million metric tons of carbon dioxide equivalent (MMT CO₂ eq) through 2020, and around 88,000 MMT CO₂ eq through 2050.

Relationship to HCFC phaseout:

- This amendment is designed to be compatible with HCFC phaseout.
- Recognizes that HFCs are alternatives in many existing HCFC applications. Thus, while the reduction steps apply only to HFCs, the baselines account for some level of transition to HFCs by using the average of 2004, 2005, and 2006 HCFC plus HFC consumption and production.
- The suite of known alternative chemicals, new technologies, and improved process/handling practices can significantly reduce HFC consumption while simultaneously supporting the HCFC phaseout.

Relationship with the United Nations Framework Convention on Climate Change (UNFCCC):

- The proposal is intended to support overall global efforts aimed at climate system protection.
- The proposal constitutes an amendment to the Montreal Protocol, and could be complemented by a related decision by the UNFCCC confirming the Montreal Protocol approach.
- Leaves unchanged the provisions of the UNFCCC / Kyoto Protocol that govern HFC emissions. Parties could follow Montreal Protocol obligations to meet certain UNFCCC obligations.